

*New Comp
System*

16 October 1987

NOTE FOR: C/OG
C/S&TG
C/IG
C/AG
C/BMG
C/AnG
SA/IH

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FROM:

Deputy Comptroller

SUBJECT: New Personnel Compensation System

1. Attached for your information is the fully coordinated fact sheet that came out of the Human Resources Modernization and Compensation Task Force off-site last week [] is presently briefing all senior Agency officers on the substance of the proposal. We understand that a meeting of the Executive Committee, chaired by the DDCI, is planned for the second or third week of November to act on the proposal. []

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2. I would be interested in any comments that you might have []

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Attachment:
As stated

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HRM&CTF OFF-SITE RESULTS

I. Modify GS System

- A. Retain existing grade structure.
- B. Change existing step structure.
 - 1. Keep 30% pay range but give annual increases (from 10 to 19 steps worth 3%, 1 1/2%, 1%), or
 - 2. Keep 3% step but expand pay range from 30% to 45-50%.
- C. Retain and develop Agency unique Special Pay Scales as needed.
- D. Expand and decentralize current performance award program.
 - 1. Expand award pool from .2% to approximately 1.5% of salary budget.
 - 2. Scrap inter-directorate controls.
 - 3. Give pro-rata share of award pool to each DD for delegation to office level.
 - 4. Institute a single performance award to replace the QSI, EA, and SA.
 - 5. Offices may approve one-time awards of up to \$5,000 and/or permanent salary increases of 3 or 6%. Larger awards will be approved by the DD.
 - 6. Awards may be instituted anytime by supervisors or panels.
- E. Review applicability of these modifications to existing non-GS pay systems and incorporate where appropriate.
- F. Decentralize and simplify position classification process.
 - 1. One-time OP classification of positions in each occupation, and only at journeyman and at senior/manager level.
 - 2. Manager may then modify position structure within budget and position limitations.
 - 3. Major changes in the nature and scope of the occupation would require new OP review.

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II. Enhance Benefits Program

A. Design and implement a flexible benefits program.

1. First phase: a cafeteria-style benefits plan to allow employees to use pretax dollars to pay for their share of existing federal or Agency sponsored life and health insurance premiums.

2. Second phase:

- a) Choice among expanded benefits.
- b) Flexible spending account.
- c) Use of annual leave to pay for benefits.

B. Design and implement enhanced leave options.

1. First phase: create transition leave benefit--use of accumulated home in last year before retirement.

2. Second phase:

- a) Pay employee for annual leave forfeited based on exigency.
- b) Allow conversion of forfeited annual leave to sick leave.
- c) Establish sick leave bank.

3. Third phase:

- a) Depending on outcome of flexible benefits program, consider other approaches for conversion of leave to cash.
- b) Allow transfer of sick and/or annual leave between spouses.

C. Other benefits.

- 1. Explore educational assistance benefit options
- 2. Explore preferential retirement options.

III. Strengthen Career Development Programs

A. Proceed with dual track program, and also provide experts and managers with an additional 120 hours of annual leave carry-over.

B. Develop occupation-specific training programs in 10 occupations (two per Directorate) to determine training needs, cost and availability.

C. Develop two occupation-specific Career Development Handbooks.

D. Design and test individual Career Development plans.

E. Design performance planning and evaluation tools for testing at Directorate option.

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IV. Experiment with non-GS option

- A. Select component.
- B. Refine the following features:
 - 1. Occupation-specific banding.
 - 2. Market-pricing.
 - 3. Incentive pay system.
- C. Evaluate and assess experiment for expanded Agency application.